



J. TYLER McCaULEY
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-2766
PHONE: (213) 974-8301 FAX: (213) 626-5427

September 22, 2005

TO: Supervisor Gloria Molina, Chair
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley 
Auditor-Controller

SUBJECT: **SOUTH BAY WORKFORCE INVESTMENT BOARD CONTRACT
REVIEW – WORKFORCE INVESTMENT ACT ADULT AND
DISLOCATED WORKER PROGRAMS**

We have completed a contract compliance review of the South Bay Workforce Investment Board (South Bay WIB). South Bay WIB is a service provider for both the Workforce Investment Act (WIA) Adult Program and the WIA Dislocated Worker Program. The review was conducted by the Auditor-Controller's Countywide Contract Monitoring Division.

Background

The Department of Community and Senior Services (DCSS) contracts with South Bay WIB, a private, non-profit, community-based organization, to assist individuals obtain employment, retain their jobs and increase their earnings. The types of services provided by South Bay WIB include occupational skills training, job placement and career planning. South Bay WIB's offices are located in the Second District. South Bay WIB is compensated on a cost reimbursement basis. For Fiscal Year 2004-2005, DCSS paid South Bay approximately \$222,000.

Purpose/Methodology

The purpose of the review was to determine whether South Bay WIB is providing the services outlined in their County contract to eligible individuals, and if South Bay WIB is

"To Enrich Lives Through Effective and Caring Service"

complying with WIA guidelines and regulations. Our monitoring visit included a review of South Bay WIB's participant case files and interviews with program participants, participant employers, participant training institutes and South Bay WIB staff.

Results of Review

Generally, South Bay WIB provided occupational skills training, job placement and career planning services in compliance with the County contract and WIA guidelines and the participants met the eligibility requirements.

For 14 of 15 participants sampled, South Bay WIB did not update the participants' case files to include the services received as required by the County contract. In addition, five of six participants interviewed stated that after exiting the program, South Bay did not contact them on a quarterly basis for one year after exiting the program in accordance with the program requirements.

We recommend that South Bay WIB update participant's case files to include all program participant activity. We also recommend that individuals that have exited the program are contacted quarterly for one year as required by WIA guidelines.

Details of our review, along with recommendations for corrective action, are attached.

Review of Report

On June 7, 2005, we discussed our report with South Bay WIB. In their attached response, South Bay WIB agreed with our findings and issued a memorandum to their staff. In addition, we notified DCSS of the results of our review.

We thank South Bay WIB for their cooperation and assistance during this review. Please call me if you have any questions, or your staff may contact Don Chadwick at (626) 293-1102.

JTM:MMO:DC

Attachment

c: David E. Janssen, Chief Administrative Officer
Cynthia Banks, Chief Deputy Director, Department of Community and Senior Services
Jan Vogel, Chief Executive Officer, South Bay Workforce Investment Board
Public Information Office
Audit Committee

**WORKFORCE INVESTMENT ACT
ADULT & DISLOCATED WORKER PROGRAMS
FISCAL YEAR 2004-2005
SOUTH BAY WORKFORCE INVESTMENT BOARD**

ELIGIBILITY

Objective

Determine whether the South Bay Workforce Investment Board (South Bay WIB) provided services to individuals that meet the eligibility requirements of the Workforce Investment Act (WIA) Adult and WIA Dislocated Worker Programs.

Verification

We selected a sample of 15 program participants from a total of 82 participants that received services between July 2004 and March 2005. We reviewed the 15 case files for documentation to confirm their eligibility for WIA services.

Results

Each of the case files reviewed contained documentation to confirm the participants' eligibility to receive program services.

Recommendation

There are no recommendations in this section.

BILLED SERVICES/ CLIENT VERIFICATION

Objective

Determine whether South Bay WIB provided the services in accordance with the County contract and WIA guidelines and whether the services that South Bay WIB billed DCSS were actually provided.

Verification

We selected a sample of 15 program participants and reviewed their case files for documentation of the types of services the participants received and whether the services were provided in accordance with WIA guidelines. We also interviewed six program participants and two employers.

Results

Generally, South Bay WIB provided services in compliance with the County contract and WIA guidelines. In addition, the individuals interviewed confirmed that the sampled services South Bay WIB billed DCSS were provided.

For 14 (93%) of the 15 program participants, South Bay WIB did not update the participant's case files to include the services received and the goals completed as required by the WIA guidelines. In addition, five (83%) of the six program participants interviewed disclosed that South Bay WIB did not contact them on a quarterly basis for one year after exiting the program as the WIA guidelines require.

Recommendations**South Bay WIB management:**

1. **Ensure that case notes for all program participants are updated to include the services the participants are receiving and the goals completed.**
2. **Ensure that staff contact the program participants on a quarterly basis for one year after the participants exit the program.**

PROGRAM OUTCOME PERFORMANCE**Objective**

Determine whether South Bay WIB attained their targeted performance levels for program enrollment.

Verification

We reviewed mid-year enrollment data for FY 2004-2005.

Results

For the first six months of FY 2004-2005, South Bay WIB's Adult and Dislocated Worker Programs exceeded their targeted performance levels for program participant enrollment. During this timeframe, South Bay WIB's Adult Program was required to enroll 22 new program participants, their actual enrollment was 31. South Bay WIB's Dislocated Worker Program was required to enroll 30 new program participants, their actual enrollment was 44.

Recommendation

There are no recommendations in this section.



SOUTH BAY WORKFORCE INVESTMENT BOARD

M E M B E R S

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CHAIRPERSON

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IAN VOGEL
EXECUTIVE DIRECTOR

August 8, 2005

J. Tyler McCauly, Auditor-Controller
County of Los Angeles
Department of Auditor-Controller
500 West Temple Street, Room 525
Los Angeles, CA 90012

Dear Mr. McCauly,

The following is in response to your report of the contract compliance review of the South Bay Workforce Investment Board (SBWIB):

Results

Generally, South Bay WIB provided services in compliance with the County contract and WIA guidelines. However, for 14 (93%) of the 15 program participants, South Bay WIB did not update the participant's case files to include the services received and goals completed in compliance with WIA guidelines.

In addition, each of the employers and administrators confirmed that the services South Bay WIB billed DCSS were provided. However, five (83%) of the six program participants interviewed stated that South Bay WIB did not contact them quarterly after exiting the program as WIA guidelines require. In addition, the case files for two additional program participants indicated that South Bay WIB did not conduct the required quarterly contact after the individuals had exited the program.

Recommendation

South Bay WIB management:

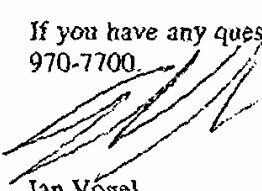
1. Ensure that case notes for all program participants are updated to include the services the participants are receiving and the goals completed.
2. Ensure that quarterly follow-up contact is conducted with program participants for one year after the participant exits the program.

SBWIB Response

The South Bay One-Stop Business and Career Center's Program Manager issued a memorandum on August 3, 2005, which informed staff to ensure case notes are updated as needed, in addition the Program Manager reminded staff that quarterly follow-up is to be conducted with program participants for one year after exit. We have attached the memorandum, which was issued.

We hope this will satisfy your recommendation.

If you have any questions, please contact James "Jimmy C" Carradine, at (310) 970-7700.



Jan Vogel
Executive Director

c: Zachery Ramon
Barbara Hubbard

Attachment

MEMORANDUM

ALERT

Date: Wednesday, August 3, 2005
To: Case Managers/Job Developers
From: Barbara Roberts-Hubbard
Subject: Case Management

A recent monitoring review has brought to our attention the following regarding the management of case files:

- Case files are not updated
- Quarterly Follow-up is to be conducted with program participants for one year after Exit

It has always been the policy of the South Bay WIB that Case Notes be updated monthly for:

- Classroom Training
- On-the-Job Training
- Supportive Services
- Follow-up Services

Remember the Individual Employment Plan (IEP) is a living document. This has been discussed at all staff meetings, after every monitor's visit and individually with case managers. No matter the size of individual case loads there is no excuse for case files not being updated on a monthly basis. Each case manager is responsible to manage their time so that 1 to 2 hours weekly are set aside for contacting participants and updating case notes. We are aware that case managers have participants that frequently drop in without appointments and call at inopportune times. The discussions/visits with these participants must be documented immediately which is part of the process of updating case notes. Also, the Exit Interviews must be conducted with all participants and follow-up services must continue for one year after Exit. This also must be documented in your case notes.

When case managers/Job Developers do not manage their time efficiently we are confronted with a negative monitoring report. Case managers then must secure documents and update case notes that should have been done months before. It causes unnecessary stress on all staff. We are issuing this alert so that this does not happen in the future. This memorandum should be taken seriously by all concerned.

Until we are confident that files are being updated monthly, in-house quarterly reviews will be conducted.